

# CalPERS

## Asset Allocation as of February 29, 2008

Total Fund Market Value: **\$241,724,144,293**

	Global Equity	Domestic Equity	International Equity	Global Fixed	Domestic Fixed	International Fixed	AIM	Real Estate	Inflation Linked <sup>5</sup>	Cash <sup>1</sup>	Total Fund
<b>Strategic Target Range %</b>	<b>51-61%</b>			<b>14-24%</b>			<b>7-13%</b>	<b>7-13%</b>	<b>0-5%</b>		
Strategic Target %	56.0%	28.0%	28.0%	19.0%	17.0%	2.0%	10.0%	10.0%	5.0%	0.0%	N/A
Cash Market Investment %	52.5%	32.3%	20.3%	27.7%	24.8%	2.9%	9.4%	8.5%	0.8%	1.0%	N/A
Tactical Overlay % <sup>4</sup>	0.9%	0.6%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	(0.9%)	N/A
Effective Investment %	53.4%	32.9%	20.5%	27.7%	24.8%	2.9%	9.4%	8.5%	0.8%	0.1%	N/A
<b>Variance % (Strategic vs. Effective)</b>	<b>(2.6%)</b>	<b>4.9%</b>	<b>(7.5%)</b>	<b>8.7%</b>	<b>7.8%</b>	<b>0.9%</b>	<b>(0.6%)</b>	<b>(1.5%)</b>	<b>(4.2%)</b>	<b>0.1%</b>	N/A
Strategic Target \$ <sup>3</sup>	\$135.4	\$67.7	\$67.7	\$45.9	\$41.1	\$4.8	\$24.2	\$24.2	\$12.1	\$0.0	\$241.7
Cash Market Investment \$ <sup>2</sup>	\$127.0	\$78.0	\$49.0	\$66.9	\$60.0	\$7.0	\$22.8	\$20.6	\$2.0	\$2.4	\$241.7
Tactical Overlay \$ <sup>2,4</sup>	\$2.1	\$1.4	\$0.7	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$2.1)	N/A
Effective Investment \$ <sup>2,3</sup>	\$129.1	\$79.4	\$49.7	\$66.9	\$60.0	\$7.0	\$22.8	\$20.6	\$2.0	\$0.3	\$241.7
<b>Variance \$(Strategic vs. Effective) <sup>2,3</sup></b>	<b>(\$6.3)</b>	<b>\$11.7</b>	<b>(\$18.0)</b>	<b>\$21.0</b>	<b>\$18.9</b>	<b>\$2.1</b>	<b>(\$1.4)</b>	<b>(\$3.5)</b>	<b>(\$10.1)</b>	<b>\$0.3</b>	N/A
% Passive	49.7%	63.7%	50.6%	0.0%	0.0%	0.0%	0.0%	5.1%	0.0%	0.0%	30.8%
% Active	50.3%	36.3%	49.4%	100.0%	100.0%	100.0%	100.0%	94.9%	100.0%	100.0%	69.2%
% Internal	56.9%	75.3%	54.0%	89.6%	100.0%	0.0%	0.0%	5.1%	24.8%	100.0%	61.7%
% External	43.1%	24.7%	46.0%	10.4%	0.0%	100.0%	100.0%	94.9%	75.2%	0.0%	38.3%

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\* When summing amounts on this report, there may be breakage.

\* MDP Venture accounts included in MDP's primary asset class. MDP Fixed and CalPERS Hedge Fund roll to External Domestic Equity.

<sup>1</sup> Cash includes SMIF at STO.

<sup>2</sup> (\$ Billion)

<sup>3</sup> Based upon Trade Date Accounting as recommended by CFA Institute GIPS Standards.

<sup>4</sup> Approximately \$2.1 Billion notional in Equity Futures were purchased to equitize cash.

<sup>5</sup> Commodities plus collateral: \$501,757,650. Unfunded Commitment for Infrastructure and Forestland: \$266,566,845.

Private Market Commitment as of February 29, 2008							
AIM				Real Estate			
Funded	\$(in Billions)	% Allocation	Target Range	Funded	\$(in Billions)	% Allocation	Target Range
Fair Market Value (FMV)	\$22.80	9.4%	7-13%	Fair Market Value (FMV)	\$20.64	8.5%	7-13%
Unfunded Commitment	\$24.90	10.3%		Unfunded Commitment	\$14.90	6.2%	
<b>Fair Market Value plus Unfunded Commitment</b>	<b>\$47.70</b>	<b>19.7%</b>		<b>Fair Market Value plus Unfunded Commitment</b>	<b>\$35.54</b>	<b>14.7%</b>	

## CalPERS Total Fund Top 20 Company Exposures

Based on Total Market Values as of 2/29/2008

Company Name	Equity Exposure			Total Equity Market Value	Fixed Income Exposure			Total FI Market Value	Real Estate Exposure <sup>(1)</sup>	TOTAL Market Value	% of Total Fund <sup>(3)</sup>
	Internally Managed Active	Externally Managed Passive	Externally Managed Active		Internal	External	Sec. Lending <sup>(2)</sup>				
GENERAL ELECTRIC	223,261,429	981,934,223	198,655,476	1,403,851,128	557,899,134	70,796,724	979,812,353	1,608,508,211		3,012,359,339	0.84%
EXXON MOBIL CORP	321,602,099	1,395,361,968	341,126,359	2,058,090,426				0		2,058,090,426	0.85%
CITIGROUP INC	92,883,095	345,841,173	101,869,996	540,594,264	578,727,399	16,778,525	269,736,500	865,242,424		1,405,836,688	0.47%
BERKSHIRE HATHAWAY	233,411,363	637,280,000	2,240,000	872,931,363	380,059,272			380,059,272		1,252,990,635	0.52%
BANK OF AMERICA CORP	102,074,495	523,729,486	122,380,244	748,184,225	389,048,001	7,824,645		396,872,646		1,145,056,871	0.47%
MICROSOFT CORP	186,258,975	750,803,816	169,050,844	1,106,113,635				0		1,106,113,635	0.46%
WAL MART STORES INC	206,138,469	589,967,271	116,650,399	912,756,139	176,489,885	3,162,245		179,652,130		1,092,408,269	0.45%
AMERICAN INTL GROUP INC	105,415,600	354,088,218	83,123,689	542,627,507	314,629,452	8,300,478	100,050,000	422,979,930		965,607,437	0.36%
JPMORGAN CHASE & CO	97,821,136	404,341,445	160,363,600	662,526,181	266,584,679	23,982,484		290,567,163		953,093,344	0.39%
AT&T INC	134,400,088	621,206,982	181,889,818	937,496,888				0		937,496,888	0.39%
PROCTER + GAMBLE CO	146,354,489	610,947,288	117,420,328	874,722,105	14,741,699			14,741,699		889,463,804	0.37%
CONOCOPHILLIPS	140,937,261	386,859,483	97,317,000	625,113,744	241,488,368			241,488,368		866,602,112	0.36%
CHEVRONTEXACO CORP	121,821,602	543,860,828	159,751,557	825,433,987				0		825,433,987	0.34%
JOHNSON + JOHNSON	133,181,967	524,516,184	96,386,463	754,084,614	13,640,087			13,640,087		767,724,701	0.32%
VERIZON COMMUNICATIONS INC.	46,538,087	303,072,240	82,922,555	432,532,882	331,555,013			331,555,013		764,087,895	0.32%
INTERNATIONAL BUSINESS MACHINES	138,849,879	467,099,264	105,952,309	711,901,452	7,785,160	10,307,469		18,092,629		729,994,081	0.30%
PFIZER INC	106,999,299	440,720,680	134,997,483	682,717,462	16,528,169			16,528,169		699,245,631	0.29%
ROYAL DUTCH SHELL		342,108,406	330,087,129	672,195,535				0		672,195,535	0.28%
COCA-COLA COMPANY	96,329,979	402,590,636	95,548,486	594,469,101	51,751,671			51,751,671		646,220,772	0.27%
AMERICAN EXPRESS CO	42,588,571	146,611,800	8,038,692	197,239,063			424,723,750	424,723,750		621,962,813	0.08%

(1) Real Estate exposure data only includes the 20 companies with the highest annual lease revenues for each core partnership, excludes properties in escrow. The market value exposures are calculated based only on two years of expected lease revenues.

(2) Does not include Repos

(3) Excludes securities lending exposure

# TARGET PERCENTAGE COMPARISON

## ASSET ALLOCATION <sup>1</sup>

As of February 29, 2008

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Cash Market Allocation</u> (%)	<u>Effective Allocation</u> (%)	<u>Target<sup>2</sup></u> (%)	<u>Target Range<sup>2</sup></u>	<u>Difference (C-D)</u> (%)
Domestic Equity <sup>3</sup>	32.3	32.9	28.0		4.9
International Equity	<u>20.3</u>	<u>20.5</u>	<u>28.0</u>		<u>-7.5</u>
<b>Global Equity</b>	<b>52.5</b>	<b>53.4</b>	<b>56.0</b>	<b>51-61%</b>	<b>-2.6</b>
Domestic Fixed Income	24.8	24.8	17.0		7.8
International Fixed Income	<u>2.9</u>	<u>2.9</u>	<u>2.0</u>		<u>0.9</u>
<b>Global Fixed Income</b>	<b>27.7</b>	<b>27.7</b>	<b>19.0</b>	<b>14-24%</b>	<b>8.7</b>
<b>AIM</b>	<b>9.4</b>	<b>9.4</b>	<b>10.0</b>	<b>7-13%</b>	<b>-0.6</b>
<b>Real Estate</b>	<b>8.5</b>	<b>8.5</b>	<b>10.0</b>	<b>7-13%</b>	<b>-1.5</b>
<b>Inflation Linked</b>	<b>0.8</b>	<b>0.8</b>	<b>5.0</b>	<b>0-5%</b>	<b>-4.2</b>
<b>Cash Equivalents</b>	<b>1.0</b>	<b>0.1</b>	<b>0.0</b>		<b>0.1</b>
<b>Total Fund</b>	<u><b>100.0</b></u>	<u><b>100.0</b></u>	<u><b>100.0</b></u>		

<sup>1</sup> As allocated to managers.

<sup>2</sup> Asset Allocation Targets approved by Investment Committee in December 2007.

<sup>3</sup> Included is MDP Investment: LM Capital Investment: Total Market Value=**\$208.4 million**.

\* Figures for this report are rounded for viewing purposes. Calculations are based on actual values. When summing net amounts on this report, there may be breakage.

# TARGET DOLLAR COMPARISON

## ASSET ALLOCATION

As of February 29, 2008

(A) <u>Asset Class</u>	(B) <u>Cash Market Allocation</u> (\$ Billion)	(C) <u>Effective Allocation</u> (\$ Billion)	(D) <u>Target<sup>1</sup></u> (\$ Billion)	(E) <u>Difference (C-D)</u> (\$ Billion)
Domestic Equity <sup>2</sup>	78.0	79.4	67.7	11.7
International Equity	<u>49.0</u>	<u>49.7</u>	<u>67.7</u>	<u>-18.0</u>
<b>Global Equity</b>	127.0	129.1	135.4	-6.3
Domestic Fixed Income	60.0	60.0	41.1	18.9
International Fixed Income	<u>7.0</u>	<u>7.0</u>	<u>4.8</u>	<u>2.1</u>
<b>Global Fixed Income</b>	66.9	66.9	45.9	21.0
<b>AIM</b>	22.8	22.8	24.2	-1.4
<b>Real Estate</b>	20.6	20.6	24.2	-3.5
<b>Inflation Linked</b>	2.0	2.0	12.1	-10.1
<b>Cash Equivalents</b>	2.4	0.3	0.0	0.3
<b>Total Fund</b>	<u><u>241.7</u></u>	<u><u>241.7</u></u>	<u><u>241.7</u></u>	

<sup>1</sup> Based upon Strategic Asset Allocation Target Percentage of total fund, approved by Investment Committee December 2007

<sup>2</sup> Included is MDP Investment: LM Capital Investment: Total Market Value= **\$208.4 million**.

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# MONTHLY PROGRESS REPORT

## ASSET ALLOCATION <sup>1</sup>

As of February 29, 2008

(A)	(B)	(C)	(D)	(E)
<u>Asset Class</u>	1/31/2008 Effective <u>Allocation</u> (\$ Billion)	2/29/2008 Effective <u>Allocation</u> (\$ Billion)	Difference <u>(C-B)</u> (\$ Billion)	<u>Target</u> <sup>2</sup> (\$ Billion)
Domestic Equity <sup>3</sup>	81.3	79.4	-1.9	67.7
International Equity	<u>48.3</u>	<u>49.7</u>	<u>1.4</u>	<u>67.7</u>
<b>Global Equity</b>	129.6	129.1	-0.5	135.4
Domestic Fixed Income	61.2	60.0	-1.2	41.1
International Fixed Income	<u>7.8</u>	<u>7.0</u>	<u>-0.8</u>	<u>4.8</u>
<b>Global Fixed</b>	69.0	66.9	-2.1	45.9
<b>AIM</b>	22.6	22.8	0.2	24.2
<b>Real Estate</b>	20.7	20.6	-0.1	24.2
<b>Inflation Linked</b>	1.9	2.0	0.1	12.1
<b>Cash Equivalents</b>	0.8	0.3	-0.5	0.0
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<b>Total Fund</b>	<u><u>244.7</u></u>	<u><u>241.7</u></u>	<u><u>-3.0</u></u>	<u><u>241.7</u></u>

<sup>1</sup> Monthly progress report toward policy targets.

<sup>2</sup> Based upon Strategic Asset Allocation Target Percentage of total fund, approved by Investment Committee December 2007

<sup>3</sup> Included is MDP Investment: LM Capital Investment: Total Market Value= **\$208.4 million**.

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## BOOK VS MARKET VALUE

As of February 29, 2008

(A) <u>Asset Class</u>	(B) <u>Book Value</u> (\$ Billion)	(C) <u>Market Value</u> (\$ Billion)	(D) Effective <u>Market Value</u> (\$ Billion)	(E) Difference <u>(C - B)</u> (\$ Billion)
Domestic Equity <sup>1</sup>	53.5	78.0	79.4	24.5
International Equity	<u>42.6</u>	<u>49.0</u>	<u>49.7</u>	<u>6.4</u>
<b>Global Equity</b>	96.1	127.0	129.1	30.9
Domestic Fixed Income	55.7	60.0	60.0	4.3
International Fixed Income	<u>6.3</u>	<u>7.0</u>	<u>7.0</u>	<u>0.7</u>
<b>Global Fixed Income</b>	62.0	66.9	66.9	4.9
<b>AIM</b>	23.0	22.8	22.8	-0.2
<b>Real Estate</b>	18.8	20.6	20.6	1.8
<b>Inflation Linked</b>	1.9	2.0	2.0	0.1
<b>Cash Equivalents</b>	2.4	2.4	0.3	0.0
<b>Total Fund</b>	<u><u>204.2</u></u>	<u><u>241.7</u></u>	<u><u>241.7</u></u>	<u><u>37.5</u></u>

<sup>1</sup> Included is MDP Investment- LM Capital Investment: Total Book Value= **\$202.4 million**, Total Market Value=**\$208.4 million**.

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# GROSS PERFORMANCE VS EXPECTED RETURNS

One Year

March 1, 2007 to February 29, 2008

(A)	(B)	(C)	(D)	(E)	(F)	(G)
<u>Asset Class</u>	<u>Cash Market Allocation</u>	<u>Effective Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return<sup>1</sup></u>	<u>Expected Standard Deviation<sup>1</sup></u>	<u>One Standard Deviation Range</u>
	(%)	(%)	(%)	(%)	(%)	(%)
Domestic Equity	32.3	32.9	-3.6	7.00	15.50	-8.50 - 22.50
International Equity	<u>20.3</u>	<u>20.5</u>	4.1	7.00	17.50	-10.50 - 24.50
<b>Global Equity</b>	<b>52.5</b>	<b>53.4</b>	<b>-0.9</b>			
Domestic Fixed Income	24.8	24.8	6.5			
International Fixed Income	<u>2.9</u>	<u>2.9</u>	17.1			
<b>Global Fixed Income</b>	<b>27.7</b>	<b>27.7</b>	<b>7.7</b>	<b>3.00</b>	<b>6.50</b>	<b>-3.50 - 9.50</b>
<b>AIM</b>	<b>9.4</b>	<b>9.4</b>	<b>29.8</b>	<b>10.00</b>	<b>25.00</b>	<b>-15.00 - 35.00</b>
<b>Real Estate</b>	<b>8.5</b>	<b>8.5</b>	<b>10.5</b>	<b>6.00</b>	<b>17.00</b>	<b>-11.00 - 23.00</b>
<b>Inflation Linked</b>	<b>0.8</b>	<b>0.8</b>	<b>9.9<sup>2</sup></b>	<b>4.00</b>	<b>5.75</b>	<b>-1.75 - 9.75</b>
<b>Cash Equivalents</b>	<b>1.0</b>	<b>0.1</b>	<b>5.1</b>	<b>1.25</b>	<b>1.50</b>	<b>-0.25 - 2.75</b>
<b>Total Fund</b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>4.9</u></b>	<b><u>8.46</u></b>	<b><u>11.40</u></b>	<b><u>-2.94 - 19.86</u></b>

<sup>1</sup> Investment Committee Meeting December 2007

<sup>2</sup> Five month return for Inflation Linked Asset Class

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# NET PERFORMANCE VS EXPECTED RETURNS

One Year

March 1, 2007 to February 29, 2008

(A)	(B)	(C)	(D)	(E)	(F)	(G)
<u>Asset Class</u>	<u>Cash Market Allocation</u>	<u>Effective Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return<sup>1</sup></u>	<u>Expected Standard Deviation</u>	<u>One Standard Deviation Range</u>
	(%)	(%)	(%)	(%)	(%)	(%)
Domestic Equity	32.3	32.9	-3.7	7.00	17.00	-10.00 - 24.00
International Equity	<u>20.3</u>	<u>20.5</u>	4.0	7.00	19.50	-12.50 - 26.50
<b>Global Equity</b>	<b>52.5</b>	<b>53.4</b>	<b>-1.0</b>			
Domestic Fixed Income	24.8	24.8	6.5			
International Fixed Income	<u>2.9</u>	<u>2.9</u>	17.1			
<b>Global Fixed Income</b>	<b>27.7</b>	<b>27.7</b>	<b>7.7</b>	<b>3.00</b>	<b>7.00</b>	<b>-4.00 - 10.00</b>
<b>AIM</b>	<b>9.4</b>	<b>9.4</b>	<b>29.8</b>	<b>10.00</b>	<b>35.00</b>	<b>-25.00 - 45.00</b>
<b>Real Estate</b>	<b>8.5</b>	<b>8.5</b>	<b>8.0</b>	<b>3.00</b>	<b>14.00</b>	<b>-11.00 - 17.00</b>
<b>Inflation Linked</b>	<b>0.8</b>	<b>0.8</b>	<b>9.7<sup>2</sup></b>	<b>4.00</b>	<b>5.75</b>	<b>-1.75 9.75</b>
<b>Cash Equivalents</b>	<b>1.0</b>	<b>0.1</b>	<b>5.1</b>	<b>1.25</b>	<b>1.10</b>	<b>0.15 - 2.35</b>
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<b>Total Fund</b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>4.7</u></b>	<b><u>8.46</u></b>	<b><u>11.40</u></b>	<b><u>-2.94 - 19.86</u></b>

<sup>1</sup> Investment Committee Meeting December 2007

<sup>2</sup> Five month return for Inflation Linked Asset Class

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**GROSS RETURNS**  
**One Year**  
**March 1, 2007 to February 29, 2008**

	(A)	(B)	(C)
<u>Asset Class</u>	<u>Reported Gross Return</u>	<u>Expenses</u>	<u>Net Return (A-B)</u>
Domestic Equity	-3.63%	0.07%	-3.70%
International Equity	4.13%	0.12%	4.01%
<b>Global Equity</b>	<b>-0.90%</b>	<b>0.08%</b>	<b>-0.98%</b>
Domestic Fixed Income	6.54%	0.00%	6.54%
International Fixed Income	17.12%	0.05%	17.07%
<b>Global Fixed Income</b>	<b>7.70%</b>	<b>0.01%</b>	<b>7.69%</b>
<b>AIM</b>	<b>29.83%</b>	<b>0.01%</b>	<b>29.82%</b>
<b>Real Estate</b>	<b>10.45%</b>	<b>2.44%</b>	<b>8.01%</b>
<b>Inflation Linked</b>	<b>9.86%<sup>1</sup></b>	<b>0.16%</b>	<b>9.70%<sup>1</sup></b>
<b>Cash Equivalents</b>	<b>5.12%</b>	<b>0.00%</b>	<b>5.12%</b>
<b>Total Fund</b>	<b>4.92%</b>	<b>0.25%</b>	<b>4.67%</b>

<sup>1</sup> Five month return for Inflation Linked Asset Class

# CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Periods Ending February 29, 2008

## CIO SUMMARY REPORT - GROSS

	% of Plan	MKT VAL \$(000's)	1 MO	QTR	FYTD	1 YR	3 YRS	5 YRS	10 YRS
<b>TOTAL DOMESTIC EQUITY</b>	32.5	78,601,564	-2.87	-9.20	-10.43	-3.63	5.99	12.55	4.70
<i>WILSHIRE 2500 EX TOBACCO (BLENDED)</i>			-2.94	-9.36	-9.94	-3.10	6.04	12.59	4.30
<b>TOTAL INTL EQUITY</b>	20.3	49,094,652	2.47	-8.58	-5.19	5.84	15.29	23.30	8.29
<i>CALPERS FTSE ALL-WORLD EX US</i>			2.83	-8.43	-3.50	7.73	16.06	23.77	7.46
<b>TOTAL GLOBAL EQUITY</b>	52.8	127,696,216	-0.88	-8.95	-8.47	-0.26	9.27	16.25	5.99
<i>TOTAL GLOBAL EQ EX AIM BENCHMARK</i>			-1.01	-9.01	-7.76	0.48	9.37	16.25	5.69
<b>TOTAL DOMESTIC FIXED INCOME</b>	24.8	59,965,861	-0.46	1.23	8.01	6.54	5.76	6.37	6.94
<i>CALPERS CUSTOM LEH LPF (DAILY)</i>			-0.04	1.84	8.77	6.90	5.23	5.15	6.61
<b>TOTAL INTL FIXED INCOME</b>	2.9	6,964,800	2.59	5.78	18.71	17.12	5.22	8.42	6.49
<i>CALPERS WORLD GOVT X US</i>			2.69	5.95	19.10	17.50	5.48	8.28	6.78
<b>TOTAL GLOBAL FIXED INCOME</b>	27.7	66,930,661	-0.12	1.73	9.17	7.70	5.68	6.68	6.92
<i>CALPERS TOTAL GBL FIXED INCOME POLICY</i>			0.18	2.14	9.76	7.93	5.21	5.49	6.60
<b>TOTAL AIM COMPOSITE</b>	9.4	22,798,334	-0.09	6.03	18.36	29.83	25.30	18.97	12.62
<i>WILSHIRE 2500 PLUS 300 BPS (DAILY)</i>			-2.70	-8.63	-7.99	0.03	9.04	15.74	8.01
<b>TOTAL REAL ESTATE</b>	8.5	20,623,824	-0.22	0.27	4.62	10.45	30.11	24.12	18.00
<i>NCREIF PROPERTY 1 QTR LAG (DAILY)</i>			0.00	0.00	4.59	13.26	16.66	13.99	12.68
<b>TOTAL INFLATION LINKED</b>	0.8	2,023,223	2.43	8.29					
<i>CPI + 400 BPS</i>			0.61	1.69					
<b>TOTAL CASH EQUIVALENTS</b>	0.8	1,900,044	0.05	-3.22	-5.97	-0.76	2.84	2.28	3.58
<i>PERS CUSTOM STIF NET OF FEES</i>			0.27	1.04	3.24	5.08	4.61	3.25	3.85
<b>TOTAL FUND</b>	100.0	241,724,144	-0.59	-4.12	-1.24	4.92	10.61	14.20	7.59
<i>CALPERS POLICY INDEX</i>			-0.42	-4.42	-1.09	4.21	9.33	12.97	6.75
<i>ACTUAL WEIGHTED TOTAL FUND INDEX</i>			-0.60	-4.62	-1.19	4.78	9.44	13.20	6.91

Equity (SH4KA1, SHAKA1, SWZLA1); Fixed Income (SJDKA1, SJDCA1, SJEKA1)

AIM (SJA1M); Real Estate 1 QTR Lagged (SJRKA1)

Inflation Linked (SX2CA1); Cash Equivalents (SJEKA1); Total Fund (SJ1CA1)

Currency Overlay is not included in Global Equity. CPI return is estimated.

# CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Periods Ending February 29, 2008

## CIO SUMMARY REPORT - NET

	% of Plan	MKT VAL \$(000's)	1 MO	QTR	FYTD	1 YR	3 YRS	5 YRS	10 YRS
<b>TOTAL DOMESTIC EQUITY</b>	32.5	78,601,564	-2.87	-9.22	-10.47	-3.70	5.94	12.50	4.66
<i>WILSHIRE 2500 EX TOBACCO (BLENDED)</i>			-2.94	-9.36	-9.94	-3.10	6.04	12.59	4.30
<b>TOTAL INTL EQUITY</b>	20.3	49,094,652	2.46	-8.61	-5.26	5.73	15.20	23.21	8.23
<i>CALPERS FTSE ALL-WORLD EX US</i>			2.83	-8.43	-3.50	7.73	16.06	23.77	7.46
<b>TOTAL GLOBAL EQUITY</b>	52.8	127,696,216	-0.89	-8.97	-8.52	-0.34	9.21	16.19	5.95
<i>TOTAL GLOBAL EQ EX AIM BENCHMARK</i>			-1.01	-9.01	-7.76	0.48	9.37	16.25	5.69
<b>TOTAL DOMESTIC FIXED INCOME</b>	24.8	59,965,861	-0.46	1.23	8.01	6.54	5.76	6.36	6.93
<i>CALPERS CUSTOM LEH LPF (DAILY)</i>			-0.04	1.84	8.77	6.90	5.23	5.15	6.61
<b>TOTAL INTL FIXED INCOME</b>	2.9	6,964,800	2.59	5.76	18.67	17.07	5.16	8.35	6.42
<i>CALPERS WORLD GOVT X US</i>			2.69	5.95	19.10	17.50	5.48	8.28	6.78
<b>TOTAL GLOBAL FIXED INCOME</b>	27.7	66,930,661	-0.12	1.73	9.16	7.69	5.67	6.66	6.90
<i>CALPERS TOTAL GBL FIXED INCOME POLICY</i>			0.18	2.14	9.76	7.93	5.21	5.49	6.60
<b>TOTAL AIM COMPOSITE</b>	9.4	22,798,334	-0.09	6.03	18.35	29.82	25.28	18.96	12.60
<i>WILSHIRE 2500 PLUS 300 BPS (DAILY)</i>			-2.70	-8.63	-7.99	0.03	9.04	15.74	8.01
<b>TOTAL REAL ESTATE</b>	8.5	20,623,824	-0.22	-0.20	3.33	8.01	24.12	19.99	15.39
<i>NCREIF PROPERTY 1 QTR LAG (DAILY)</i>			0.00	0.00	4.59	13.26	16.66	13.99	12.68
<b>TOTAL INFLATION LINKED</b>	0.8	2,023,223	2.43	8.15					
<i>CPI + 400 BPS</i>			0.61	1.69					
<b>TOTAL CASH EQUIVALENTS</b>	0.8	1,900,044	0.05	-3.22	-5.97	-0.76	2.84	2.28	3.58
<i>PERS CUSTOM STIF NET OF FEES</i>			0.27	1.04	3.24	5.08	4.61	3.25	3.85
<b>TOTAL FUND</b>	100.0	241,724,144	-0.60	-4.17	-1.37	4.68	10.25	13.91	7.40
<i>CALPERS POLICY INDEX</i>			-0.42	-4.42	-1.09	4.21	9.33	12.97	6.75
<i>ACTUAL WEIGHTED TOTAL FUND INDEX</i>			-0.60	-4.62	-1.19	4.78	9.44	13.20	6.91

Equity (SH4KA1, SHAKA1, SWZLA1); Fixed Income (SJDKA1, SJDCA1, SJEKA1)

AIM (SJA1M); Real Estate 1 QTR Lagged (SJRKA1)

Inflation Linked (SX2CA1); Cash Equivalents (SJEKA1); Total Fund (SJ1CA1)

Currency Overlay is not included in Global Equity. CPI return is estimated.

**CALPERS INVESTMENT IN CALIFORNIA as of February 29, 2008**

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Portfolio Value</u> <u>(\$ millions)</u>	<u>California</u> <u>(Commitment/</u> <u>Investments)<sup>1</sup></u> <u>(\$ millions)</u>	<u>California</u> <u>Investments</u> <u>(\$ millions)</u>	<u>CA Investment</u> <u>as % of</u> <u>Asset Class</u> <u>(D/B)</u> <u>%</u>	<u>Program Description or Assumption</u>
<b>EQUITY</b>					
Domestic Equity	77,998.9	10,196.2	10,196.2	13	CA investment is approximately 13%
International Equity	<u>48,951.3</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
<b>Global Equity</b>	<b><u>126,950.2</u></b>	<b><u>10,196.2</u></b>	<b><u>10,196.2</u></b>	<b>8 %</b>	
<b>FIXED INCOME</b>					
Domestic Fixed Income	59,965.9	5,153.3	5,153.3	9	
International Fixed Income	<u>6,964.8</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
<b>Global Fixed Income</b>	<b><u>66,930.7</u></b>	<b><u>5,153.3</u></b>	<b><u>5,153.3</u></b>	<b>8 %</b>	
<b>AIM</b>					
<b>AIM</b>	22,798.3	2,300.0	1,900.0	8	Includes commitments through February 29, 2008
<b>REAL ESTATE</b>					
<b>Real Estate</b>	<b>20,640.2</b>	<b>8,452.6</b>	<b>5,056.4</b>	<b>24 %</b>	<b>Outstanding commitments (column C/column B): 41.0%</b>
<b>INFLATION LINKED</b>					
<b>Inflation Linked</b>	2,023.2	0.0	0.0	0	
<b>CASH / CASH EQUIVALENTS</b>					
<b>Cash / Cash Equivalents</b>	2,381.6	0.0	0.0	0	On deposit at the Treasurer's Office: \$212.21
<b>TOTAL FUND</b>	<b><u>241,724.1</u></b> <b>=====</b>	<b><u>26,102.2</u></b> <b>=====</b>	<b><u>22,306.0</u></b> <b>=====</b>	<b>9 %</b> <b>=====</b>	<b>Outstanding commitments (column C/column B): 10.8%</b>

<sup>1</sup> Total actual investments at market value and outstanding program commitments in California